

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

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Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
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IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawai'i
Honolulu, Hawai'i

ISSUANCE OF A HELIPORT LEASE
BY NOTICE OF PUBLIC AUCTION (SPACE NO. 820-101B)
HILO INTERNATIONAL AIRPORT
TAX MAP KEY: (3) 2-1-12: PORTION OF 90

HAWAII

REQUEST:

Issuance of a Heliport Lease at Hilo International Airport (ITO) by notice of public auction.

LEGAL REFERENCE:

Sections 171-14, -16, -17, -41, and other applicable sections of Chapter 171, Hawai'i Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Portion of Hilo International Airport (ITO), Hilo, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 2-1-12: Portion of 90.

AREA:

Area/Space No. 820-101B, containing an area of approximately 67,500 square feet, as shown on the attached Exhibit "B".

ZONING:

State Land Use District:	Urban
County of Hawai'i:	Industrial (ML-20)

LAND TITLE STATUS:

Section 5(a) lands of the Hawai'i Admission Act: Ceded
DHHL 30% entitlement lands pursuant to Hawai'i Admission Act YES ___ NO X

ITEM M-14

BLNR – ISSUANCE OF A HELIPORT LEASE BY NOTICE OF PUBLIC AUCTION
HILO INTERNATIONAL AIRPORT
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CURRENT USE STATUS:

Aeronautical purposes

CHARACTER OF USE:

Commercial helicopter tours and operations

PROPERTY CHARACTERISTICS:

Utilities: None available at the site
Improvements: The real property is vacant

TERM OF LEASE:

Thirty (35) years

COMMENCEMENT DATE:

Upon execution of the Lease

MINIMUM UPSET ANNUAL RENTAL AND RENTAL REOPENING:

*If there are substantial leasehold improvements constructed on the premises, the annual lease rental for the first year shall be waived at the beginning of the lease pursuant to Section 171-6 Powers, HRS.

Years 1 thru 5 \$37,125.00* (as determined from the DOTA schedule of rates and charges established by appraisal of Airports property statewide)

Years 6 thru 10 115% x the annual rental for year 5

Years 11 thru 15 115% x the annual rental for year 10

Years 16 thru 20 Reopening at fair market rent determined by independent appraisal

Years 21 thru 25 115% x the annual rental for year 20

Years 26 thru 30 Reopening at fair market rent determined by independent appraisal

Years 31 thru 35 115% x the annual rental for year 30

PERFORMANCE BOND:

An amount equal to the annual rent then in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The area was included in the April 2003 Final Environmental Assessment (FEA). The FEA was prepared in support of: (1) Federal actions consisting of approval of the Airport Layout Plan in July, 2013, and (2) the State of Hawai'i actions consisting of environmental approval and construction of proposed Hilo International Airport Improvements. The FEA was prepared pursuant to Chapter 343, Hawai'i Revised Statutes and the Administrative Rules, Title 11, Chapter 200 of the State of Hawai'i Department of Health.

REMARKS:

In accordance with Section 171-14, -16, -17, -41 and other applicable sections of Chapter 171, HRS, as amended, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by notice of public auction, the Department of Transportation (DOT) proposes to issue an industrial land lease by notice of public auction at ITO.

RECOMMENDATION:


That the Board authorize the DOT to issue a heliport lease by notice of public auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to lease form and content.

Respectfully submitted,

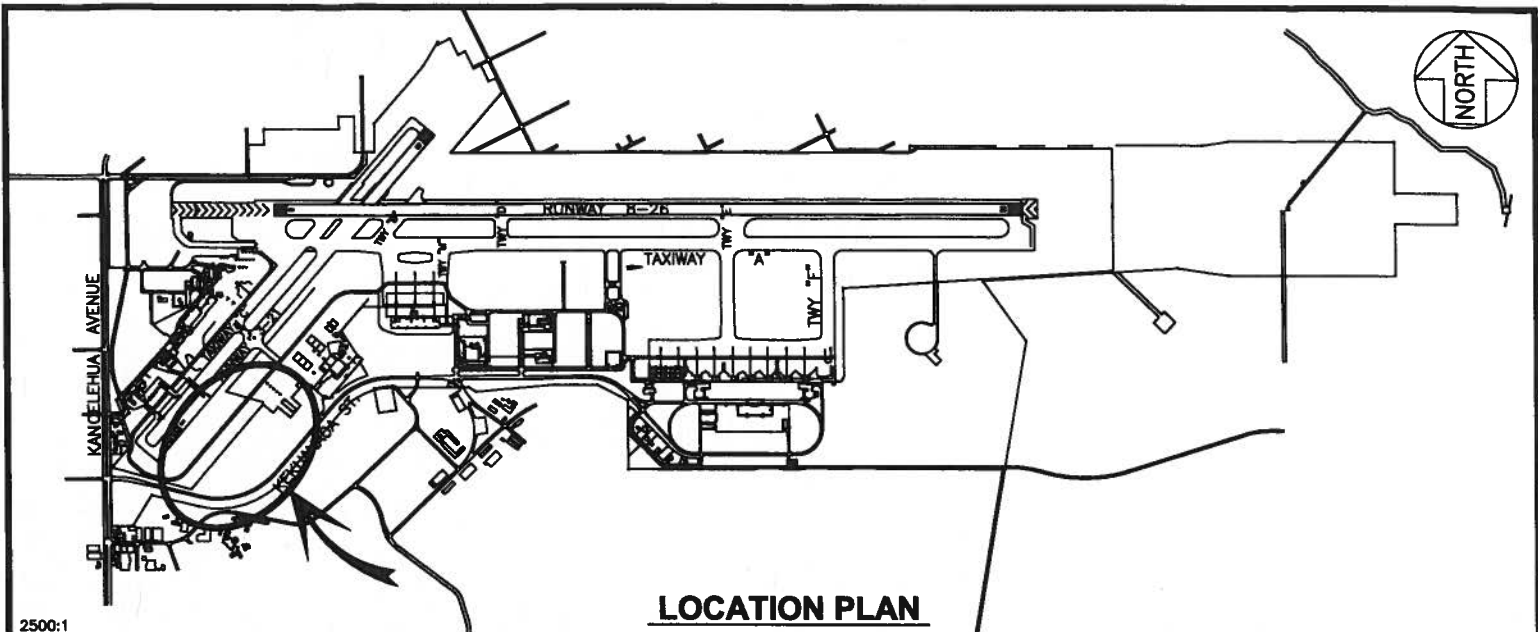


FORD N. FUCHIGAMI
Director of Transportation

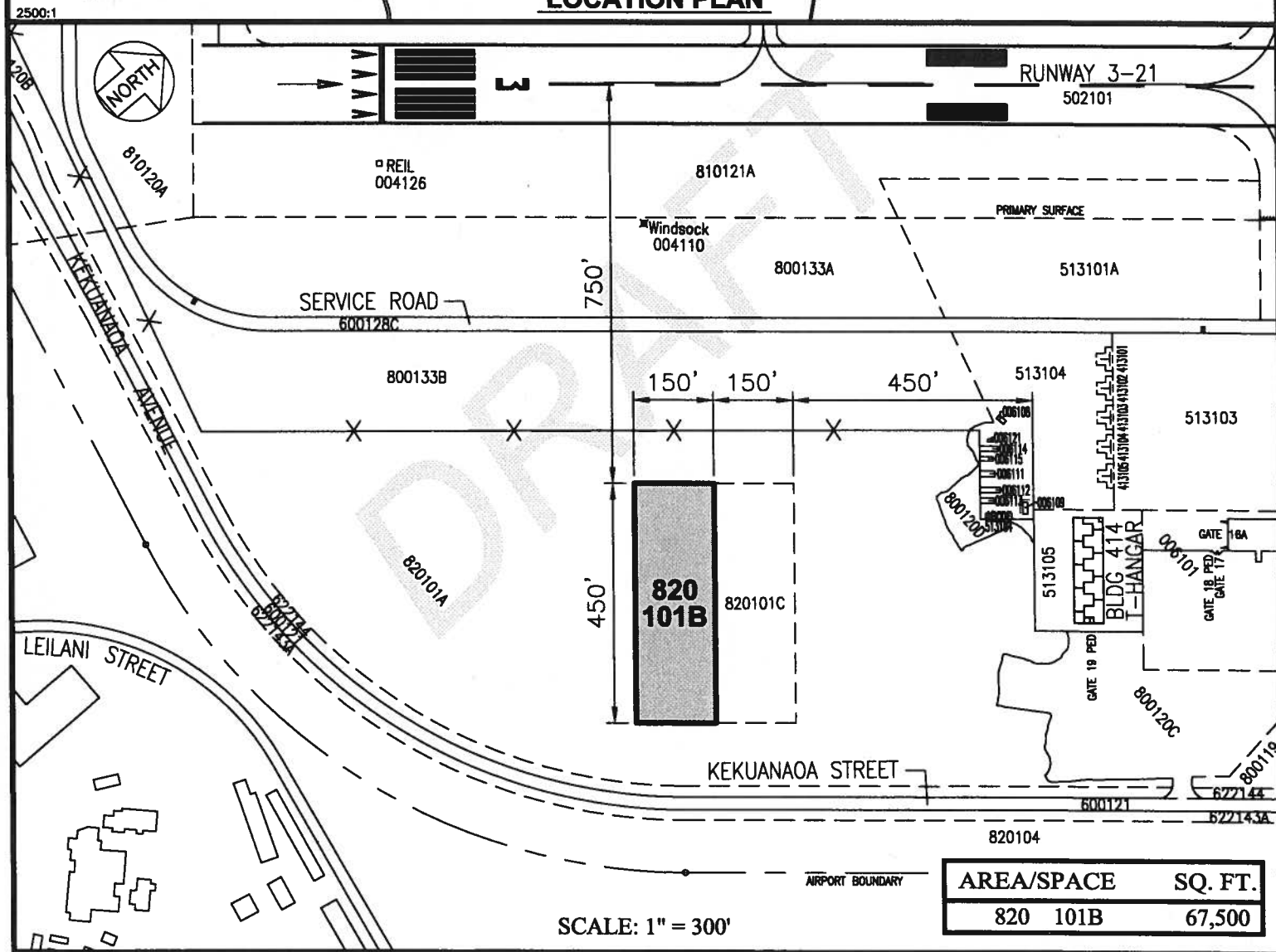
APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member



LOCATION PLAN



DRAFT

DATE : NOVEMBER 2016

EXHIBIT: **B**



Airports Division

UNIMPROVED LAND

820101B

PLAT 40

HILO INTERNATIONAL AIRPORT